GPC Fraud

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Introduction

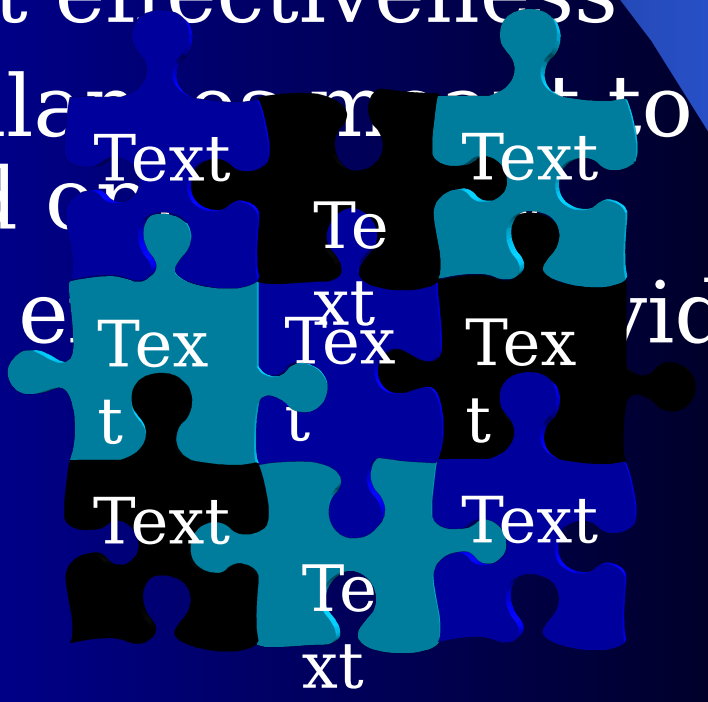
- Government Purchase Card Fraud within the Air Force Community
- GPC use and Fraud opportunity

Agenda

- AFI 64-117 AF Wide Government Purchase Card Program
- Authorized use of GPC
- Authorization, Coordination/Review
- GPC Surveillance Requirements
- GPC Fraud Indicators
- GPC Fraud Examples

Overview

- Fraud costs all taxpayers
- GPC fraud costs unit funds and diminishes unit effectiveness
- Checks and Bala[illegible] to minimize fraud c[illegible]
- Indicators and e[illegible]vide insight



Topic One

- AFI 64-117, dated 6 Dec 200
- Provides flexibility
- Facilitates acquisition reforms
- Encourages commercial practice
- Promotes Business Process Improvements
- Guidance: www.safaq.hq.af.mil/contracting

Topic Two

- Authorization for use
- Supplies and Equipment
- Services: Recurring/Nonrecurring
- Dollar Thresholds

Topic Three

- Purchases requiring authorization
  - Communications and Computer Equipment
  - Medical Items
  - Rental/lease of equipment and fleet vehicles
  - Individual Equipment/Clothing Items
- Coordination's and reviews
  - Non-expendable Equipment over $2500
  - Professional Services

Topic Four

- Unit Surveillance Requirements
  - Approving/Billing Official (BO)
  - Document, retrain, monitor
- IPC Program Manager Surveillance
  - Review BO every 12 months
  - Random sample 25% of card holders

Topic Five

- Cardholder Fraud Indicators
  - High volume of purchases to one vendor
  - Numerous sole source requests
  - Unjustified high prices
  - Absence of receipts and inspection docs.
  - Unaccounted supplies or services
  - Multiple payments for same item
  - Items returned – no credit given

Topic Six

- Examples of cardholder fraud
  - Cardholder conspired with business to make fraudulent purchases.
  - Business owner approached cardholder and offered kickbacks.
  - Cardholder obtains goods and services for personal use.

Summary

- AFI 64-117 governs GPC program
- GPC use clearly defined
- Surveillance requirements established
- Fraud opportunity exists on many fronts
- Fraud costs money and unit effectiveness
- Questions ?